

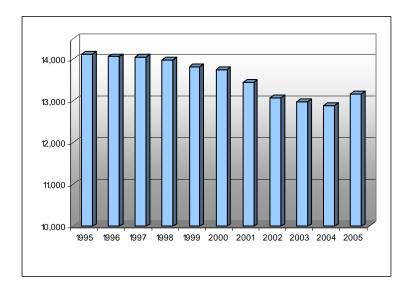
SHOSHONE COUNTY PROFILE

Prepared by Kathryn Tacke, Regional Economist, Idaho Commerce & Labor 1221 W. Ironwood Drive, Coeur d'Alene, Idaho 83814 — (208) 769-1558, ext. 3984 E-Mail: ktacke@cl.idaho.gov — Labor Market Information website: Imi.idaho.gov June 2006

Population

After devastating mine and smelter closures, Shoshone County's population fell 28 percent in the 1980s. Despite persistent economic problems in the 1990s, the county's population nearly held its own. Retirees moved there, offsetting the loss of young families, and increasingly some towns became bedroom communities for the Coeur d'Alene area. From 1995 to 2005, the population fell 7 percent from 14,125 to 13,157, while Idaho's population grew 21 percent and the U.S. population grew 13 percent. With its economic outlook brighter and the development of housing around Silver Mountain Resort, the county's population should grow at a good clip during the next few years.

The county's largest cities are Kellogg (pop. 2,230), Pinehurst (1,560), Osburn (1,440), and Wallace (890).

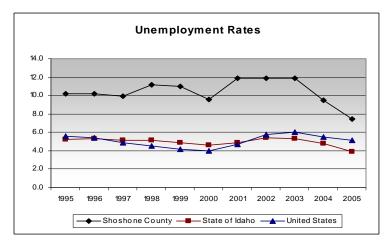


Labor Force & Employment

Higher silver prices are helping the mining industry, which has declined since it peaked at 4,200 jobs in 1981. Afterthe closure of the Sunshine mine and the layoff of 150 people from the Lucky Friday mine in 2001, mining employment fell to 340 jobs, its lowest level in more than 110 years. Today, only two major mines remain open; the Lucky Friday employs 200 people, while the Galena employs 180 people. In addition, the Sunshine's new owner currently is exploring the possibility of reopening the mine. Currently, the mining industry employs about 420 people.

Shoshone County is developing its tourism sector. In 1990, the world's longest gondola opened, running from Kellogg to the Silver Mountain ski area. Over the next few years, Silver Mountain Resort plans to add a water park and a golf course. The city of Wallace draws many travelers off Interstate 90 to shop and play in its charming downtown. Lookout, a small ski area along Interstate 90 next to the Montana border, expanded considerably in 2005. Growing numbers of hikers, bicyclists, and snowmobilers are exploring the hundreds of miles of trails

Labor Force	May 2005	May 2006
Civilian Labor Force	5,742	5,829
Total Employment	5,357	5,418
Unemployed	385	411
Shoshone County % Unemployed	6.7	7.1
State of Idaho % Unemployed	3.9	3.4
U.S. % Unemployed	5.1	4.7

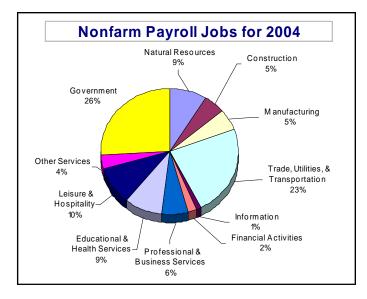


in Shoshone County. *Leisure & Hospitality* employs about 470 people.

The county's retail and service sectors are growing, as population grows, tourism increases, and incomes rise. Dave Smith Motors, an automobile dealership in Kellogg, employs more than 300 people, making it the county's largest employer. In 2004, Northpoint Financial Group opened a call center in Smelterville, which employs 50 people. Wal-Mart currently is building a supercenter near Smelterville.

After years of little growth, construction and real estate are booming, and housing projects are underway throughout the Silver Valley.

Labor Force	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Civilian Labor Force	6,619	6,583	6,728	6,796	6,545	6,108	5,791	5,542	5,544	5,598	5,828
Unemployment	678	669	664	763	719	583	689	658	660	533	434
% of Labor Force Unemployed	10.2	10.2	9.9	11.2	11.0	9.6	11.9	11.9	11.9	9.5	7.4
Employment	5,941	5,914	6,064	6,033	5,826	5,525	5,103	4,885	4,884	5,066	5,394



Shoshone County Trends

After two decades of double-digit unemployment rates, Shoshone County went from being one of Idaho's three most prosperous counties to becoming one of its three poorest. U.S. Housing & Urban Development estimates the county's median family income in 2006 is \$41,100, while U.S. median family income is \$58,000. The most recent poverty statistics from the Census Bureau show the county's poverty rate is 16.6 percent, while the U.S. poverty rate is 12.5 percent. The Silver Valley Economic Development Corporation is working to reduce unemployment and foster economic growth.

Major Employers
Dave Smith Motors
Galena Mine
Kellogg Joint School District
Lucky Friday Mine
Shoshone County
Silver Mountain Resort
U.S. Forest Service
Wallace School District

Occupational Wages*	Starting Wage
Assemblers	\$6.20
Bookkeepers	\$7.50
Carpenters, Journey-level	\$12.50
Cashiers	\$5.65
Clerks, General Office	\$6.60
Clerks, Retail	\$5.80
Cooks, Restaurant	\$6.70
Janitors	\$6.70
Laborers, Mine	\$9.20
Miners, Contract	\$13.50
Nurses, Registered	\$16.90
Secretaries, General	\$7.00
Truck Drivers, Heavy	\$9.80

^{*} Additional Occupational Wage data can be found on the Idaho Commerce & Labor website at lmi.idaho.gov.

Covered Employment & Average Annual	1994		2003		2004		
Wages Per Job for 1994, 2003, & 2004	Average	Average	Average	Average	Average	Average	
	Employment	Wages	Employment	Wages	Employment	Wages	
Total Covered Wages	4,170	\$19,777	4,123	\$24,863	4,192	\$26,362	
Agriculture	89	\$18,826	60	\$22,607	70	\$26,904	
Mining	406	\$34,677	310	\$43,582	335	\$47,882	
Construction	164	\$17,908	196	\$25,862	213	\$26,570	
Manufacturing	158	\$18,673	212	\$25,725	228	\$25,342	
Trade, Utilities, & Transportation	701	\$19,155	941	\$27,618	1,009	\$29,305	
Information	45	\$15,105	66	\$21,070	49	\$21,644	
Financial Activities	139	\$16,407	83	\$21,194	85	\$21,231	
Professional and Business Services	258	\$31,711	273	\$23,197	272	\$22,990	
Educational and Health Services	320	\$15,231	396	\$20,404	370	\$21,034	
Leisure and Hospitality	450	\$7,246	422	\$8,628	420	\$9,238	
Other Services	102	\$9,210	89	\$16,772	85	\$16,545	
Government	1,338	\$20,315	1,076	\$26,455	1,056	\$27,845	

Per Capita Income	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Shoshone County	\$15,416	\$17,022	\$17,921	\$19,080	\$18,736	\$19,151	\$19,932	\$21,058	\$22,322	\$24,083
State of Idaho	\$18,707	\$19,426	\$20,248	\$20,648	\$21,789	\$22,786	\$24,075	\$25,185	\$25,330	\$26,877
United States	\$22,172	\$23,076	\$24,175	\$25,334	\$26,883	\$27,939	\$29,845	\$30,575	\$30,804	\$31,472
Information provided by U.S. Ce	ns us Bure au									



This county is served by the office listed below: Idaho Commerce & Labor 35 Wildcat Way Kellogg, ID 83837-2392 Ph: (208) 783-1202

